

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL SESSION
June 23, 2003**

The Board of Supervisors of Maricopa County, Arizona convened at 9:00 a.m. June 23, 2003, in the Supervisors' Conference room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Fulton Brock, Chairman; Andy Kunasek, Vice Chairman; Don Stapley, Max W. Wilson, and Mary Rose Wilcox. Also present: Fran McCarroll, Clerk of the Board; Shirley Million, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney.

PUBLIC HEARING – TRUTH-IN-TAXATION

Per ARS §42-17107, convene the Truth-In-Taxation Hearing to hear taxpayers in favor of or against the proposed primary tax levy increase of \$13,080,196. (C49030448) (ADM1801)

Sandi Wilson, Deputy County Administrative Officer, said that there were very few changes made in the final budget from the tentative budget presented at the last meeting. She indicated that the impact of the final State budget that was approved last week would be presented. She reminded the Board that the first estimated cuts to the County in earlier proposed State Budget proposals approached \$93 million. She said that it appears that this total is now down to around \$21 million but added that the County is "still definitely at risk for next year."

Chris Bradley reported that the State's cost shifts actually add up to approximately \$32 million but this amount is offset by an \$11 million savings in the ALTCS contribution. The biggest item is the shift in responsibility for Adult Probation that will have a direct impact on the General Fund of a \$22 million savings. However, a court revenue diversion proposal that has been implemented would take 75% of all of the County's court and court related fees.

Chairman Brock asked if this court fee diversion from the County to the State is permanent or yearly. Mr. Bradley's response was that as of now it is a permanent change. The estimated amount that would be lost, worst case scenario, could be approximately \$3.7 million total.

Brian Hushek spoke to the technical changes made, identifying them as carry-over funds, departmental consolidations, performance incentives, special revenue fund appropriations and deletion of the Housing Department budget and various departmental increases and decreases to balance the 10% reductions requested.

Ms. Wilson said that several MIHS issues would be addressed after the budget is approved and would probably be brought before the Board late in July. She indicated that OMB has been notified by the State that unexpected budgeted monies connected to Dispro Share funds would be forthcoming for MIHS after all, approximately \$4 million for this year and another \$5 million next year. She said that this will help fund some of the MIHS issues that are outstanding in their budget. She also reminded the Board that by statute the Tax Rates will be set by the Board in August.

PUBLIC HEARING – PRIMARY TAX LEVY INCREASE – TRUTH IN TAXATION NOTICE

No protests having been received and no speakers coming forth at the Chairman's call, motion was made by, Supervisor Stapley, seconded by Supervisor Wilcox, and unanimously carried (5-0) by a roll call vote, with Supervisors Wilcox, Wilson, Kunasek, Stapley and Brock voting "aye", to approve the proposed primary tax levy increase of \$13,080,196, and direct the Clerk of the Board to mail a copy of the Truth-in-Taxation notice, a statement of its publication, and the result of the governing body's vote to the Property Tax Oversight Commission within three days of this hearing pursuant to A.R.S. §42-17107(A)(5). (C49030448) (ADM1801)

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PUBLIC HEARING – FY 2003-2004 BUDGET – BOARD OF SUPERVISORS

Chairman Brock directed that a public hearing be convened to consider and adopt the Board of Supervisors FY 2003-2004 budget by total appropriation for each department and fund in the amount of \$2,418,957,057 (Expenditures totaling \$2,187,200,375 and Appropriated Beginning Fund Balance of \$231,756,682); and approve the FY 2003-2004 Budget Executive Summary. (C49030458) (ADM1801)

No protests having been received and no speakers coming forth at the Chairman's call, motion was made by, Supervisor Stapley and seconded by Supervisor Wilson to approve the Board of Supervisors FY 2003-2004 budget by total appropriation for each department and fund in the amount of \$2,418,957,057 (Expenditures totaling \$2,187,200,375 and Appropriated Beginning Fund Balance of \$231,756,682); and approve the FY 2003-2004 Budget Executive Summary.

Supervisor Stapley offered a motion to amend the previous motion by adding an approval of an increase to the General Government-Non-Profit Funding (470-4774) expenditure budget in the Amount of \$15,000, from \$2,139,776 to \$2,154,776, with a decrease in General Government-Contingency (470-4711) of \$15,000. This action will restore the Non-Profit Funding budget to its original FY 2004 base target level, with an increase of \$15,000 to the Greater Phoenix Economic Council which will be passed through to the East Valley Partnership. Supervisor Kunasek seconded the motion which carried unanimously (5-0).

Supervisor Kunasek offered a motion to amend the original motion by adding an approval of the FY 2003-04 budget adjustments associated with the final FY 2003-04 State budget adoption as presented on the handout from the Office of Management and Budget and which reduces the budget in the amount of \$24,268,404. Motion was seconded by Supervisor Stapley and it carried by unanimous vote (5-0).

Expenditure Adjustments	Fund	Agency	Increase/ (Decrease) from Tentative
<u>Adult Probation</u>			
Contingency Transfer/Reduce State Funding	100	110	\$ 21,880,206
<u>Health Care Mandates</u>			
Reduce ALTCS Contribution/Transfer to Approp. Fund Bal.	100	390	\$ (11,054,537)
<u>General Government</u>			
Elim. Private Prison Cost Shift/Transfer to Co. Contribution	100	470	\$ (1,312,000)
Add County Contribution Payment	100	470	5,402,800
Transfer from Unfunded Liabilities Reserve to Adult Probation	100	470	(21,880,206)
Transfer from Unfunded Liabilities Reserve to Co. Contribution	100	470	(4,090,800)
			<u>\$ (21,880,206)</u>
<u>Appropriated Fund Balance</u>			
Add Purchase of 32nd Street & Van Buren Property	100	480	\$ 3,000,000
Transfer from Land Purchases to 32nd St. & Van Buren	100	480	(3,000,000)
Add Purchase of State Black Canyon Building	100	480	1,800,000
Transfer from Land Purchases to Black Canyon Building	100	480	(1,800,000)
Transfer to General Contingency/Reduce ALTCS Contribution	100	480	11,054,537
			<u>\$ 11,054,537</u>

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Total Expenditures - General Fund **\$ -**

Adult Probation
Reduce State Funding 110 211 \$ (24,268,404)

Total Expenditures - Special Revenue Funds **\$ (24,268,404)**

TOTAL EXPENDITURES **\$ (24,268,404)**

Adult Probation
Reduce State Funding 110 211 \$ (24,268,404)

Total Revenues - Special Revenue Funds **\$ (24,268,404)**

TOTAL REVENUES **\$ (24,268,404)**

The original motion, as amended, carried unanimously on a roll call vote (5-0) with Supervisors Wilcox, Wilson, Kunasek, Stapley and Brock voting "aye." (C49030458) (ADM1801)

PUBLIC HEARING -- FY 2003-2004 BUDGET - IMPROVEMENT/SPECIAL DISTRICTS

Convene a public hearing to consider and adopt the FY 2003-2004 Budgets for the Other Special Districts per the FY 2003-2004 Budget Schedules entitled "Direct Assessment of Special Districts Secondary Roll" and "Street Lighting Improvement District Levies Secondary Roll". (C49030498)

No protests having been received and no speakers coming forth at the Chairman's call, motion was made by Supervisor Wilson, seconded by Supervisor Wilcox, and unanimously carried to approve the FY 2003-2004 Budgets in the amount of \$3,276,216 for all Other Special Districts

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Fulton Brock, Chairman of the Board

ATTEST:

Fran McCarroll, Clerk of the Board